GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA

UNSTARRED QUESTION NO:4957
ANSWERED ON:23.04.2015
SOLAR POWER PRODUCTION
Pala Shri Vincent H

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) the cost of installation of solar power production units in the country for various terrains and various capacities;

(b) the cost of power per unit from such solar power units;

(c) the total solar power produced in the country; and

(d) the steps taken to popularise solar power in the country?

Answer

THE MINISTER OF STATE FOR POWER, COAL & NEW AND RENEWABLE ENERGY (INDEPENDENT CHARGE) (SHRI PIYUSH GOYAL)

(a): As per the tariff order notified by the Central Electricity Regulatory Commission (CERC) for the year 2015-16, the cost of installation of solar power production units based on solar photovoltaic technology is Rs. 605.85 lakhs per MW and for those based on solar thermal technology, the cost is Rs. 1200 lakhs per MW. Though CERC has notified a uniform tariff for the whole country, these costs can vary slightly for different terrains and different capa- cities, being slightly higher for hilly and difficult terrains due to added transportation and logistics cost and being slightly lower for plants of large capacities due to economies of scale.

(b): As per the tariff order notified by the Central Electricity Regulatory Commission (CERC) for the year 2015-16, the cost of power generated from solar power production units, which is the levellised tariff for 25 years, is Rs. 7.04/kWh for solar power plants based on solar photovoltaic technology and Rs. 12.05/kWh for solar power plants based on solar thermal technology.

(c): At present the solar power produced in the country is approximately 5.63 billion units per annum.

(d): The following steps have been taken by the Government to popularize solar power in the country:
Exemption from excise duties and concession on import duties on components and equipment required to set up a solar plant.
A 10-year tax holiday for solar power projects.
Wheeling, banking and third party sales, buyback facility by states.
Guaranteed market through solar power purchase obligation for states.
GBI schemes for small solar projects connected to a grid below 33KV.
Reduced wheeling charges as compared to those for conventional energy.
Special incentives for exports from India in renewable energy technology under renewable sector-specific SEZ.
A payment security mechanism to cover the risk of default by state utilities/discoms.
A subsidy of 30% of the project cost for off- grid PV and solar thermal projects, subject to availability of funds.
Loans at concessional rates for off-grid applications.